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Executive Registry

GENTLEMEN:

It is always a privilege to participate in the National Strategy Seminar. I particularly welcome the opportunity, which this occasion affords, to step back and look afresh at world developments.

THERE ARE TIMES WHEN HISTORY IS MADE RAPIDLY AND WHEN THE EVENTS WHICH MAKE IT ARE DISPLAYED FOR ALL THE WORLD TO SEE. THIS HAPPENS, FOR EXAMPLE, WHEN GREAT WARS BEGIN OR END, OR WHEN GREAT REVOLUTIONS OCCUR. BUT THERE ARE OTHER TIMES WHEN HISTORY IS MADE SLOWLY AND WITH LESS FANFARE. IN SUCH TIMES, DEVELOPMENTS HAVE MORE SIGNIFICANCE IN THE AGGREGATE THAN THEY DO AS SINGLE EVENTS.

I BELIEVE THAT THE PAST DECADE HAS BEEN SUCH A PERIOD. IN TIMES SUCH AS THESE, IT IS IMPORTANT TO EXAMINE THE AGGREGATE AS WELL AS THE INDIVIDUAL EVENT, AND I SUGGEST THAT SUCH AN EXAMINATION PROVIDES A USEFUL PERSPECTIVE ON CURRENT PROBLEMS AND TENSIONS.

ONE OF THE TRENDS OF THE PAST DECADE WHICH

HAS STRUCK ME AS ESPECIALLY MEANINGFUL IS THE CARE

WHICH THE GREAT POWERS HAVE TAKEN TO AVOID DANGEROUS

ARMY WAR COLLEGE CARLISLE BARRACKS PENNSYLVANIA

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CONFRONTATIONS WITH EACH OTHER. IN THE PERSPECTIVE OF A DECADE, THE CUBAN MISSILE CRISIS OF 1962 APPEARS TO HAVE BEEN A KIND OF WATERSHED. THEN, FACED WITH THE MOMENT OF TRUTH, THE SOVIET LEADERS CHOSE PEACE. THEIR BEHAVIOR SINCE 1962 STRONGLY SUGGESTS THAT THE CUBAN MISSILE CRISIS WAS NOT AN EXPERIENCE THEY WOULD LIKE TO REPEAT.

IN THE YEARS SINCE THEN THEY HAVE SHOWN A STRONG RELUCTANCE TO ENGAGE IN MILITARY ACTION AND A HEALTHY APPRECIATION OF THE ADVANTAGES OF NON-CONFRONTATION. WE HAVE SEEN THIS, FOR EXAMPLE, IN THE ARAB-ISRAELI CONFLICT OF 1967, IN THE JORDAN CRISIS OF 1970, IN THE INDIA-PAKISTAN WAR LAST YEAR, AND MOST RECENTLY DURING THE EVENTS OF THE PAST FEW WEEKS IN VIETNAM.

OF COURSE, THE PRINCIPAL FACT CONTRIBUTING

TO NON-CONFRONTATION POLITICS IS THE NUCLEAR CAPABILITY OF THE GREAT POWERS. THE NUCLEAR POWERS

SIMPLY CANNOT AFFORD TO CONFRONT EACH OTHER IN

PARTICULAR CONFLICT SITUATIONS UNLESS THEY ARE

PREPARED FOR TOTAL NUCLEAR STRUGGLE. THIS IS NOT

TO SAY THAT THE NUCLEAR POWERS CAN NOT OR DO NOT

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PURSUE THEIR OWN INTERESTS. INDEED, THE FACT OF
MUTUAL DETERRENCE ENCOURAGES LIMITED AND GRADUALIST
EXPANSION OF NATIONAL INTEREST. BUT IT ALSO IMPOSES
CAUTION ON BLATANT EXPANSIONISM, AND IT DISCOURAGES
CHALLENGES TO POSITIONS WHICH HAVE ALREADY BEEN
STAKED OUT.

Now, all these factors create a certain stability. The USSR cannot move militarily against Western Europe. We cannot move militarily in Eastern Europe. China and the Soviet Union checkmate each other in North Asia. Neither we nor the Chinese can establish hegemony in East Asia and the West Pacific. And both the Chinese and the Soviets seem to understand this as we do.

IN RECENT YEARS, OF COURSE, THE USSR HAS BECOME A GLOBAL POWER, AND IT IS PURSUING A GLOBAL POLICY. THIS POLICY IS GLOBAL NOT ONLY IN THE SENSE THAT IT IS BACKED UP BY INTERCONTINENTAL BALLISTIC MISSILES. THE USSR ALSO HAS A GROWING NAVY AND AIR TRANSPORT FLEET. MOST IMPORTANT OF ALL, THE USSR CONSIDERS ITSELF A GLOBAL POWER. SOVIET FOREIGN MINISTER GROMYKO RECENTLY REMARKED THAT THERE WAS

#### SECRET .

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NO MAJOR QUESTION OF INTERNATIONAL RELATIONS THAT COULD BE RESOLVED WITHOUT THE SOVIET UNION OR AGAINST ITS WILL. BUT EVEN AS THE USSR PLAYS THE WORLD POWER ROLE, IT QUITE CLEARLY DOES SO WITH A GENUINE PREFERENCE FOR A CAUTIOUS AND GRADUALIST APPROACH. AS LONG AS THEY THINK THAT THEIR INTERESTS ARE BEING ADVANCED—EVEN IF SLOWLY—THE SOVIETS PREFER TO AVOID RISKS.

How, then, should we describe the principles of statecraft which are emerging and guiding the relations of the great powers? These new principles I would describe as communication and adjustment. In today's environment there are things that no responsible nation can do. And if there is something you cannot do anything about, you have to adjust to it.

This is not the same thing as acceptance. Foreign and strategic policies are still designed to
protect and promote national interest. But to promote national interest one must recognize what national power can do and what it cannot do. One must
know the range of the possible, and one must make

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CALCULATIONS OF RISK. TO DO THIS, WE AS A NATION MUST UNDERSTAND BOTH THE RELATIONS OF POWER AND THE MEANING OF POLITICAL EVENTS TAKING PLACE THROUGHOUT THE WORLD. THE BASIC PURPOSE OF THE INTELLIGENCE COMMUNITY IS TO HELP WITH THIS UNDERSTANDING.

BUT NOT ONLY MUST WE UNDERSTAND, SO MUST OTHER NATIONS. THAT IS THE PATH TOWARD RESPONSIBILITY FOR THEM, AS WELL AS FOR OURSELVES. WE CANNOT BE SURE THAT OTHER NATIONS WILL ALWAYS ACT RESPONSIBLY, BUT THEY ARE MOST LIKELY TO DO SO TO THE DEGREE THAT THEY UNDERSTAND WITH WHOM THEY ARE DEALING AND WHAT THE RELATIONS OF POWER ARE. THE GREATER THE EXTENT TO WHICH COMPETING NATIONS OPERATE FROM A COMMON DATA BASE, THE BETTER THE CHANCE THAT THEY CAN AND WILL WORK TOWARD POINTS OF ADJUSTMENT WITH EACH OTHER.

THAT, I THINK, IS WHAT IS SO IMPORTANT ABOUT
THE KIND OF DIPLOMACY WHICH HAS DEVELOPED OVER THE
PAST YEAR OR TWO. CHIEFS OF GOVERNMENT HAVE NEVER
TALKED TO EACH OTHER SO MUCH. HEATH AND POMPIDOU
HAVE MET, AS HAVE POMPIDOU AND BRANDT, BRANDT AND
BREZHNEV, BREZHNEV AND POMPIDOU, AND PRESIDENT
NIXON WITH A WIDE RANGE OF INTERLOCUTORS, INCLUDING

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THE COMMUNIST LEADERS IN PEKING AND MOSCOW. WHAT IS HAPPENING IS THAT CARDS ARE BEING LAID ON THE TABLE. LEADERS ARE TELLING EACH OTHER WHAT THEIR OWN PROBLEMS AND INTERESTS ARE.

IN RECENT MONTHS WE AS A PEOPLE HAVE GOTTEN TO KNOW BETTER WHAT CHINA IS LIKE, AND HOPEFULLY THE CHINESE PEOPLE HAVE GOTTEN TO KNOW BETTER WHAT AMERICANS ARE LIKE. PERHAPS THE MOST INTERESTING EXERCISE OF ALL HAS BEEN THE SALT TALKS. THESE HAVE BEEN LONG AND TEDIOUS, AND IT HAS BEEN CLEAR TO BOTH SIDES THAT THE PROBLEMS INVOLVED ARE VERY COMPLEX. THE TALKS HAVE SHOWN THAT WE AND THE SOVIETS KNOW QUITE WELL WHAT STRATEGIC OFFENSIVE AND DEFENSIVE WEAPONS THE OTHER POSSESSES. WE DON'T KNOW, OF COURSE, EVERYTHING WE WOULD LIKE TO KNOW, PARTICU-LARLY ABOUT RESEARCH AND DEVELOPMENT, BUT WE DO PRETTY WELL. IN THE GIVE AND TAKE OF THESE SALT TALKS, IT BECAME CLEAR TO EACH SIDE THAT THE OTHER WAS PREPARED TO MAKE SOME ADJUSTMENTS. THESE ADJUSTMENTS HAVE NOW BEEN INCORPORATED INTO AN INTERIM AGREEMENT, AND THE TALKS WILL GO ON IN THE SEARCH FOR MORE COMPREHENSIVE AGREEMENTS. BUT

THE ACHIEVEMENT OF SETTLEMENTS MAY NOT BE SO IMPORTANT AS THE PROCESS ITSELF. IT IS IN THE PROCESS THAT COMMUNICATION IS TAKING PLACE AND ADJUSTMENT IS BEGINNING.

THIS IS PARTICULARLY IMPORTANT BECAUSE MILITARY POWER NOW PLAYS -- AND WILL CONTINUE TO PLAY -- AN IM-PORTANT ROLE IN THE PROCESS OF COMMUNICATION AND ADJUSTMENT. THE SIZE, STRUCTURE, DOCTRINE, AND TACTICAL CONCEPTS ON WHICH A NATIONAL MILITARY FORCE OPERATES ARE PART OF THE DATA WHICH AN ADVERSARY EXAMINES WHEN HE TRIES TO JUDGE INTENTIONS. THE CHARACTER AND MAGNITUDE OF STRATEGIC OFFENSIVE SYS-TEMS, AND THE BALANCE BETWEEN OFFENSIVE AND DEFEN-SIVE SYSTEMS, PROVIDE CLUES ABOUT A NATION'S READI-NESS TO ACCEPT MUTUAL DETERRENCE OR TO GO FOR SOME-THING MORE DECISIVE. THE BALANCE BETWEEN NUCLEAR AND NON-NUCLEAR COMPONENTS, AND THE BALANCE BETWEEN LAND-BOUND AND FAR-RANGING FORCES, TELL SOMETHING ABOUT THE DEGREE OF FLEXIBILITY WHICH A NATION HAS PROVIDED FOR ITSELF. AND THE EXTENT AND CHARACTER OF THE ARMS CONTROL PROGRAMS TO WHICH A NATION IS WILLING TO COMMIT ITSELF TELL US SOMETHING ABOUT ITS WILLINGNESS TO MAKE ADJUSTMENTS.

Most of the world's leaders seem to have come intellectually to understand that they must communicate and adjust. Our President has taken a strong lead, and Soviet and Chinese leaders have indicated that this is the course that they, too, are willing to pursue. The Soviets have now quite openly signaled their willingness to put brakes on the arms race, and the Chinese have given at least preliminary indications that they are disposed to live and let live in East Asia and the West Pacific.

WHAT KIND OF A WORLD WILL THIS PROCESS OF COMMUNICATION AND ADJUSTMENT LEAD TO? ONE THING THAT

IS NOT LIKELY TO HAPPEN IS A GENERAL WORLD SETTLEMENT WHERE EVERYONE IS HAPPY ABOUT EVERYTHING. AT

THE END OF WORLD WAR II THERE WERE WIDESPREAD HOPES

THAT THERE WOULD BE A GENERAL SETTLEMENT SUPPLEMENTED

BY A WORKABLE WORLD GOVERNMENT WHICH COULD ENFORCE

INTERNATIONAL PEACE AND JUSTICE. BUT WE SHOULD HAVE

KNOWN BETTER. A STABLE WORLD IN WHICH NOTHING

CHANGES EXCEPT BY CONSENT IS SIMPLY NOT COMPATIBLE

WITH THE DYNAMICS OF HUMAN DEVELOPMENT. I SUPPOSE

THERE WILL ALWAYS BE THOSE WHO WISH TO DOMINATE

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OTHERS, THAT THERE WILL ALWAYS BE THOSE WHO WANT
TO EXPORT THEIR IDEOLOGY OR WAY OF LIFE, THAT THERE
WILL ALWAYS BE THOSE WHOSE INTERESTS, RELIGIOUS BELIEFS, OR TRIBAL EGOTISM WILL LEAD THEM INTO CONFLICT WITH OTHERS. THAT IS ONE OF THE COSTS OF A
PLURALISTIC WORLD. IT CAUSES CONTESTS AND TENSIONS.

THESE TENSIONS WILL NO DOUBT RISE FROM TIME TO TIME, AS THEY HAVE IN THE PAST MONTH OR TWO. SOCIAL SYSTEMS WILL BE IN CONFLICT AND STATE-TO-STATE RELATIONS WILL BE MARKED BY HOSTILITY, BUT THE CHANCES ARE GOOD THAT IT WILL BE A CONTROLLED HOSTILITY.

WHAT THE PRESENT INTERNATIONAL ENVIRONMENT, DOES
IS TO SET CERTAIN LIMITS UPON TENSIONS AND HOSTILITY;
WHILE COMMUNICATION PROVIDES A FRAMEWORK WITHIN WHICH
ADJUSTMENTS CAN BE WORKED OUT. THIS PROCESS OF ADJUSTMENT WILL BE A CONTINUING ONE. AS ONE OBSTACLE
OR PROBLEM IS ALLEVIATED, ANOTHER WILL ARISE. THUS,
NON-CONFRONTATION POLITICS LEADS NEITHER TO STABILIZATION OR TO A GENERAL SETTLEMENT. BUT IF COMMUNICATION IS KEPT UP, IF THE DATA BASE IS SHARED, IF POWER
IS REGARDED AS A FORM OF COMMUNICATION AND NOT MERELY
AS A MEANS OF IMPOSING ONE'S WILL, THEN GLOBAL NONCONFRONTATION POLITICS WILL AVOID NUCLEAR DISASTER.

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THE POLITICS OF COMMUNICATION AND ADJUSTMENT HAVE ALREADY PRODUCED SOME MOVEMENT TOWARD A NEW ORDER IN EUROPE AND ASIA. THE WEST GERMANS UNDER BRANDT HAVE RECOGNIZED THE REALITY OF AN EAST GERMAN STATE, AND THEY HAVE ALSO CONCLUDED THAT THERE IS NO LONGER ANY POINT IN REFUSING TO RECOGNIZE AND TO DEAL WITH THE EAST EUROPEAN STATES WHICH THE REST OF THE WORLD HAS RECOGNIZED FOR MANY YEARS. PRESIDENT POMPIDOU OF FRANCE, MEANWHILE, HAS UNBLOCKED BRITISH MEMBERSHIP IN THE EUROPEAN COMMUNITY AND THUS TAKEN AN IMPORTANT STEP TOWARD A NEW EUROPE.

ENLARGEMENT OF THE EUROPEAN COMMUNITY, AND, SOME OF THE POLICIES IT WILL ADOPT AS TIME GOES ON, WILL INVOLVE SOME LESSENING OF CROSS-ATLANTIC TIES WITH THE UNITED STATES, AND SOME STRAINS BETWEEN THE UNITED STATES AND THE EVOLVING WEST EUROPEAN POWER STRUCTURE. MEANWHILE, THE USSR IS FOLLOWING A WEST-POLITIK DESIGNED TO ENCOURAGE THIS SEPARATION OF THE UNITED STATES FROM WESTERN EUROPE. THE SOVIET LEADERS HAVE SOUGHT TO GIVE WEST EUROPEANS A GREATER SENSE OF SECURITY, NOT ONLY BY RESPONDING TO WEST GERMAN AND FRENCH INITIATIVES, BUT ALSO BY REDUCING TENSIONS

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WITH THE US. THIS POLICY IS LARGELY ASSOCIATED WITH CHAIRMAN BREZHNEV. AND WE CANNOT BE CERTAIN ABOUT HOW GENUINE AND PERSISTENT IT WILL BE. FOR THIS REASON, THE PROCESS OF ADJUSTMENT IN EUROPE WILL BE A SLOW AND DELICATE ONE. WHATEVER MISGIVINGS THERE MAY BE ABOUT US POLICY IN EUROPE, NO WEST EUROPEAN NATION IS ABOUT TO GIVE UP THE AMERICAN ALLIANCE AND TO CAST ITSELF UPON THE MERCY OF THE SOVIETS. AND THE SOVIETS ARE NOT ABOUT TO RETRACT THEIR POWER FROM EAST EUROPE AND LEAVE THEIR RELUCTANT ALLIES EXPOSED TO WESTERN INFLUENCE. BUT IF ADJUSTMENT PROCEEDS FROM ONE STAGE TO ANOTHER IN A MANNER NOT THREATENING TO THE SECURITY OF ESTABLISHED POSITIONS, PERHAPS A MORE OPEN AND RELAXED EUROPE WILL ARISE.

THE PROBLEM IN ASIA IS MORE DELICATE STILL. WHAT HAS HAPPENED SO FAR IS A BEGINNING WHICH MAY NOT MOVE MUCH FARTHER FOR SOME TIME TO COME. SOUTHEAST ASIA IS STILL IN A CRITICAL CONDITION. THE WAR ON THE INDIAN SUBCONTINENT HAS CLOSED THE BOOK UPON ONE HISTORICAL PHASE IN THAT TRAGIC AREA WITHOUT PROVIDING A CLEAR TEXT FOR THE NEXT. I WISH I COULD TELL YOU WHAT IS IN STORE FOR SOUTHERN ASIA, BUT I CANNOT.

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THE ENTIRE AREA FROM BALUCHISTAN TO THE MEKONG DELTA IS REPLETE WITH ECONOMIC AND ETHNIC STRAINS, COMPETING POLITICAL IDEOLOGIES, AND PATTERNS OF POWER AND DISORDER THAT DEFY RATIONAL SOLUTION. IT WILL BE MANY YEARS BEFORE A NEW ORDER EVOLVES THERE.

IN THE LARGER AREA OF EAST ASIA AND THE WESTERN PACIFIC, THE WORLD ADMITTED CHINA TO THE COMITY OF NATION'S EVEN BEFORE THE PRESIDENT'S VISIT, AND THE TRIP ITSELF MARKED THE OPENING OF A US-CHINESE DIA-LOGUE, PARTLY IN RESPONSE TO THAT TRIP, THE JAPANESE AND THE SOVIETS HAVE BEGUN TO CONSIDER WAYS OF RE-SOLVING THEIR DIFFERENCES WITH EACH OTHER AND ARE. LOOKING FOR WAYS OF COOPERATING IN THE EXPLOITATION OF SIBERIA'S VAST RESOURCES. JAPANESE AND CHINESE CONTACTS AND EXCHANGES WILL NO DOUBT INCREASE. THUS. A NEW QUADRILATERAL RELATIONSHIP--AMONG CHINA, JAPAN, THE USSR, AND THE UNITED STATES -- IS BEGINNING TO EVOLVE. I CANNOT TELL YOU WHAT ITS FINAL FORM WILL BE. BUT, AS IN EUROPE, IT WILL EVOLVE SLOWLY. EACH OF THE FOUR POWERS INVOLVED WILL TAKE CAREFUL SCRUTINY OF THE OTHER, AND OF DEVELOPMENTS IN SOUTHERN ASIA, BEFORE IT UNDERTAKES NEW INITIATIVES OR RESPONDS TO THEM.

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BY CONTRAST TO THE GREAT EVENTS TAKING PLACE IN FUROPE AND ASIA, ONE IS OFTEN PRONE TO THINK OF THE ARAB-ISRAELI QUARREL AS A SIDESHOW, OR TO THINK OF A LATIN AMERICAN CHANGE OF GOVERNMENT AS A NEIGHBOR-HOOD FRACAS. PERHAPS THAT IS RIGHT. BUT I THINK IT IS ALSO HELPFUL TO RECOGNIZE THAT, WHILE THESE AREAS ARE PERIPHERAL TO THE MAIN EVENTS, THEY ARE UNDER-GOING IMPORTANT ECONOMIC AND SOCIAL CHANGES WHICH WILL AFFECT THEIR POLITICAL EVOLUTION. THE ARAB WORLD IS A FAR DIFFERENT PLACE FROM WHAT IT WAS 25 YEARS AGO. ALL THE ARAB STATES ARE NOW FREE OF COLONIAL CONTROL, AND MANY ARE OIL-RICH. MANY ARE BECOMING RAPIDLY WESTERNIZED AND INDUSTRIALIZED. SOME--EGYPT, IRAQ, AND SYRIA--HAVE DEVELOPED CLOSE RELATIONS WITH THE USSR. OTHERS--NOTABLY THE SUDAN. LIBYA, AND ALGERIA HAVE BECOME INCREASINGLY SUSPICIOUS OF THE SOVIETS. SOME HAVE LOST INTEREST IN THE IS-RAELI PROBLEM, BUT OTHERS FEEL THERE IS NO ALTERNA-TIVE TO CONTINUED HOSTILITY. ISRAEL ITSELF IS UNDER-GOING PROFOUND CHANGES AS A NEW GENERATION APPROACHES POLITICAL POWER. I DO NOT KNOW WHETHER OR WHEN THESE CHANGES WILL PRODUCE A RESOLUTION OF THE ARAB-ISRAELI

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AFFAIR, BUT THEY ARE CERTAINLY CREATING NEW CIRCUMSTANCES WHICH WILL AFFECT THE DEVELOPMENT OF THAT STRUGGLE AND WHICH HOPEFULLY WILL ONE DAY RENDER IT OBSOLETE, IF NOT SOLUBLE.

IN LATIN AMERICA, NATIONALISM HAS TAKEN ON A NEW CHARACTER, AND ITS PACE HAS QUICKENED. Po-LITICAL REVOLUTIONS THERE, MORE OFTEN THAN NOT, ARE NOW MOVEMENTS FOR MAJOR SOCIAL AND ECONOMIC CHANGE RATHER THAN THE DISPLACEMENT OF ONE CLIQUE BY ANOTHER. IN MOST OF LATIN AMERICA, THERE APPEARS TO BE A CONSENSUS THAT ECONOMIC DEVELOPMENT AND SOCIAL CHANGE ARE NECESSARY AND THAT THESE CAN BE ACHIEVED ONLY BY A REGIME WHICH ASSERTS ITS INDEPENDENCE FROM FOREIGN CONTROL. THE DEGREE OF RADICALISM IN THIS NEW NATIONALISM VARIES WIDELY-FROM AVOWED MARXISM IN CUBA AND CHILE TO ECONOMIC PRAGMATISM IS BRAZIL . AND MEXICO. IN NEARLY EVERY CASE, BUT ESPECIALLY IN THE MORE RADICAL REGIMES, THIS DRIVE FOR SELF-ASSERTION HAS INVOLVED AN ATTACK UPON US ECONOMIC INTERESTS AND AN ATTEMPT TO ACQUIRE TRADE AND AID FROM OTHER FOREIGN POWERS. THIS PRESENTS THE COM-MUNIST NATIONS WITH AN OPPORTUNITY, AND THEIR IN-FLUENCE SEEMS LIKELY TO GROW. ON THE OTHER HAND,

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THE COMMUNIST POWERS ARE LIKELY TO BE UNDER SUSPICION AS POTENTIAL FOREIGN DOMINATORS, AS HAS BEEN THE UNITED STATES. THIS WILL PLACE LIMITS UPON HOW MUCH INFLUENCE THEY CAN GAIN. THEIR RECOGNITION OF THIS WILL CAUSE RELUCTANCE ON THE PART OF THE COMMUNIST POWERS TO BECOME TOO DEEPLY INVOLVED IN EXPENSIVE COMMITMENTS IN COUNTRIES WHERE THEY RE-ALIZE THEY CANNOT ACHIEVE REAL CONTROL.

THUS, THERE ARE MANY SMALLER NATIONS—OUTSIDE
THE PRINCIPAL ARENA OF TENSION AND ADJUSTMENT AMONG
THE GREAT POWERS—WHICH ARE TRYING TO FIND THEM—
SELVES, TO ESTABLISH THEIR OWN NATIONAL IDENTITIES,
AND TO MOLD THEIR OWN ECONOMIC AND SOCIAL SYSTEMS
IN A RAPIDLY CHANGING WORLD. THERE IS A STRONG
CURRENT OF ECLECTICISM IN THEIR APPROACH, AND THIS—
COUPLED WITH THEIR INTENSIFYING NATIONALISM—IS ALSO
ONE OF THE HOPEFUL SIGNS OF THE TIMES. THIS WORLD
OF THE DEVELOPING NATIONS WILL NO DOUBT BE MESSY
AND SOMETIMES CHAOTIC. IT WILL FACE TERRIFYING
PROBLEMS OF POPULATION EXPANSION AND URBANIZATION,
AND IN MANY CASES, A SHORTAGE OF RESOURCES. DE—
VELOPMENTS IN THESE AREAS WILL IMPINGE UPON RELA—
TIONSHIPS AMONG THE GREAT POWERS AND CREATE OR

EXACERBATE TENSIONS AMONG THEM. TO THE EXTENT
THAT THEY DO, THEY WILL COMPLICATE, AS THE ARABISRAELI AND INDO-CHINA PROBLEMS NOW DO, THE PROCESS OF ADJUSTMENT IN GREAT POWER RELATIONSHIPS.

ANOTHER FACTOR IN WORLD RELATIONSHIPS WHICH IS BECOMING INCREASINGLY DECISIVE IS ECONOMICS. Modern economies, even in the Communist countries, MUST BE FINELY TUNED TO FUNCTION PROPERLY. BUT. WHAT IS BECOMING INCREASINGLY APPARENT IS THAT THE FINE TUNING NOW INVOLVES THE RELATIONSHIPS OF NA-TIONAL ECONOMIES WITH EACH OTHER. ALMOST INEXORABLY, THE WORLD IS BECOMING A SINGLE ECONOMIC UNIT. WORLD TRADE CONTINUES TO EXPAND, TECHNOLOGY IS EXPORTED, AND THE RAW MATERIALS MARKET IS BECOMING A WORLD MARKET. INFLATION AND HIGH INTEREST RATES IN ONE MAJOR TRADING NATION AFFECT EMPLOYMENT AND PRICES IN ANOTHER. IMPRUDENT ECONOMIC POLICY IN ONE CAN CAUSE ECONOMIC STRESS IN ANOTHER. EVEN POLICIES OF A NON-ECONOMIC CHARACTER HAVE ECONOMIC REPER-CUSSIONS. AN UNSETTLED POLITICAL SITUATION IN A MAJOR TRADING NATION CASTS DOUBT UPON ITS CURRENCY OR UPON THE SECURITY OF FOREIGN INVESTMENTS.

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SO--UNLESS A NATION WISHES TO CUT ITSELF OFF
FROM INTERNATIONAL ECONOMIC RELATIONSHIPS--THESE
RELATIONSHIPS ARE BECOMING A CURB UPON NATIONAL
SOVEREIGNTY. NO NATION I KNOW ABOUT SEEMS DISPOSED
TO CUT ITSELF OFF. INDEED, EVEN THE COMMUNIST
COUNTRIES APPEAR EAGER TO BROADEN THEIR ECONOMIC
CONTACTS AND TO TAP THE TECHNOLOGY AND FINANCIAL
RESOURCES OF THE CAPITALIST WORLD. THIS DESTRE,
IN TURN, IS ONE OF THE IMPERATIVES ENCOURAGING
THEM IN THE PROCESS OF INTERNATIONAL ADJUSTMENT.

THERE ARE TIMES, WHEN I READ THE NEWSPAPERS,
THAT I BEGIN TO WONDER WHETHER THOSE OF US WHO ARE
CONCERNED WITH NATIONAL SECURITY AND WORLD POLITICS
HAVE ACHIEVED A PROPER BALANCE AMONG THE VARIOUS
TARGETS OF OUR CONCERN. WE MUST, OF COURSE, CONTINUE
TO BE CONCERNED WITH THE MILITARY THREAT POSED BY
THE COMMUNIST POWERS, DESPITE THEIR INCREASING APPRECIATION OF THE VIRTUES OF NON-CONFRONTATION POLITICS.
BUT THE WIDENING IMPACT OF INTERNATIONAL ECONOMIC
RELATIONSHIPS UPON OUR LIVES AND FORTUNES MUST BE
RECOGNIZED. AND SO MUST BE THE DRIVING FORCE OF
NATIONAL SELF-REALIZATION FOR MANY PEOPLES AROUND
THE WORLD.

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PERHAPS MORE IMPORTANT YET, THE WORLD SYSTEM AS A WHOLE SEEMS TO BE ENCOUNTERING NEW PRESSURES. SOME SCHOLARS NOW SUGGEST THAT THE WORLD SYSTEM IS FACING RISING FORCES WHICH CANNOT BE RESOLVED BY THE HISTORICAL SOLUTIONS OF MIGRATION, TERRITORIAL EXPANSION, AND ECONOMIC GROWTH. THROUGH ITS GROW-ING POPULATION, ITS RISING LIVING STANDARDS, AND ITS TECHNOLOGICAL ACHIEVEMENTS, THE WORLD IS CREAT-ING A LOAD ON ITS NATURAL RESOURCES THAT MAY BE TOO GREAT. THE EARTH, ITS ATMOSPHERE, ITS LAND, ITS FRESH WATERS, AND ITS MINERALS ARE FINITE. IT WOULD INDEED BE IRONIC IF WE FRITTERED AWAY OUR TIME; OUR INTELLECTUAL ENERGY, AND OUR CAPACITY FOR COMMITMENT ON ASSORTED MATTERS OF WORLD POLITICS WHILE OUR NATURAL ECO-SYSTEMS WERE DEGENERATING AT A FATAL PACE.

I DO NOT KNOW THAT THIS IS THE CASE, BUT ONE CANNOT BRUSH OFF THE WARNINGS ISSUED BY RESPECTED AND DEDICATED STUDENTS OF THE SUBJECT. PERHAPS WE OUGHT TO WIDEN OUR DEFINITION OF NATIONAL SECURITY, PERHAPS WE OUGHT TO WIDEN THAT DEFINITION A GREAT DEAL. IF THERE IS NOW REAL HOPE THAT WE CAN AVOID

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NUCLEAR CATASTROPHE, THE QUESTION IS STILL OPEN
WHETHER WE ARE COURTING ECOLOGICAL CATASTROPHE. IF
EVEN SOME OF THE NEW WARNINGS NOW BEING ADDRESSED
TO US ARE VALID, THAT IS REASON ENOUGH FOR THE GREAT
POWERS TO ADJUST THEIR RELATIONSHIPS WITH EACH OTHER
AND MOVE ON TO A NEW ERA OF INTERNATIONAL COOPERATION.

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Lt Gen V. A. Walters, 7D5607 Hqs

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9 June

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#### Remarks:

This is the Director's speech given at Carlisle Barracks. Newsmen in the audience have requested it on a background (or even public) basis.

The Director wants the reaction of you gentlemen as to whether he should ask Herb Klein to okay its release. Will you kindly pass your thoughts to me.

TMA

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DATE FROM: NAME, ADDRESS AND PHONE NO.

Angus MacLean Thuermer, 1 F 04, 7676
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